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October 9, 2003

Mr. Thomas M. Dorman
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
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RECEIVED

OCT 10 2003

RE: Inquiry Into the Use of Contract Service Arrangements by
Telecommunications Carriers in Kentucky – Case No. 2002-00456

Mr. Tom Dorman:

Enclosed are an original and the required copies of the Electric and Water Plant Board of the City of Frankfort, Kentucky proposed amendments to Cincinnati Bell, BellSouth, and Alltel's draft proposal presented at the Industry Workshop conducted on October 1, 2002 (Attachment 1). It is my understanding that this document is to be attached to the report from our recent workshop.

Also enclosed are an original and the required copies of the supplemental testimony of Edward H. Hancock on behalf of the Electric and Water Plant Board of the City of Frankfort, Kentucky (Attachment 2).

Any questions regarding this filing maybe directed to me at the above address or by telephone at (502) 227-7400.

Sincerely,



Robert A. Bowman, Esq.
Attorney for the
Frankfort and Electric
Water Plant Board

Attachments

THE ELECTRIC & WATER PLANT BOARD OF THE CITY OF FRANKFORT, KY.

Joint Industry Proposal to Kentucky PSC for CSA Standards

Administrative Case no. 2002-00456

October 10, 2003

1. The following standards apply to all telecommunications carriers providing service in Kentucky – including ILECs, CLECs, and IXC's.
2. The industry recommendation for CSA standards, endorsed by the companies represented as signatories to this proposal, is as follows:
 - a. Companies who currently provide service to a particular business customer (incumbent carrier) may enter into a contract (CSAs) with that business customer as a response to an actual (written or verbal) competitive offer to that customer made by another carrier. If the contract offer is based on a verbal competitive offer, the incumbent is required to obtain a written statement from the customer verifying that a competitive offer was made prior to finalizing the contract.
 - b. The incumbent carrier may provide a contract to a customer who makes a written request to be provided a contract comparable to what has been provided to another business customer, provided the carrier determines that the customer meets the guidelines for being "similarly situated" and is eligible for the contract.
 - c. Both incumbent and non-incumbent carriers may respond to a formal request for proposal (RFP) and offer contractual rates, terms and conditions.
 - d. Carriers who do not currently provide service to a business customer may solicit business from that customer by offering a contract (CSA) to that customer.
 - e. The carrier has the option to make available on its web-site a copy of the actual contract that is being provided to a business customer, with customer name and address redacted. If a template contract that is available for viewing on the web-site is used, only the modifications to that template need to be shown. If the Commission requests a copy of a particular customer contract, a copy that includes the customer name and address will be provided.
 - f. If the carrier does not elect to maintain a copy of the contract on its web-site, it must provide a copy of the actual contract, which includes customer name and address, to the Commission.
3. For purposes of these standards, the following are examples of when a carrier may use CSAs in order to respond to competition.
 - a. An incumbent carrier is responding to a competitive offer (written or verbal) to its business customer from a competitive carrier or responding to a written request from a similarly situated customer.
 - b. A carrier is responding to a formal request for proposal (RFP) initiated by a customer to different carriers seeking a competitive pricing offer.

BEFORE THE
KENTUCKY PUBLIC SERVICE COMMISSION

CASE NO. 2002-00456

In the Matter of: INQUIRY INTO THE USE OF
CONTRACT SERVICE ARRANGEMENTS
BY TELECOMMUNICATIONS CARRIERS
IN KENTUCKY

SUPPLEMENTAL TESTIMONY OF

EDWARD H. HANCOCK

OCTOBER 9, 2003

Q. Please state your name and business address.

A. My name is Edward H. Hancock. My business address is 220 Steele Street in Frankfort, Kentucky 40601.

Q. By whom are you employed?

A. I am employed by the Frankfort Plant Board.

Q. Did you previously file direct testimony in Docket 2002-00456?

A. Yes, I did.

Q. What is the purpose of this supplemental testimony?

A. In its initial response to the Public Service Commission's data request as to whether a regulated service should be sold by tariff only or by CSA, FPB referenced a December 2002 FCC Report on "Local Telephone Competition". That report indicated the percentage of zip codes in the state of Kentucky for which there is no telephone competition at 79%, the fourth highest percentage in the nation. Since that report was produced, the FCC has issued a new report dated June 2003 for the period ending December 31, 2002.

Q. Does the newly released FCC Report show any change in the status of competitive local exchange company (CLEC) penetration in Kentucky?

A. No. According to the newly released FCC Report (Table 16), Kentucky's competitive status with regard to CLECs has not changed. A copy of the June 2003 FCC "Local Telephone Competition" Report is attached as Exhibit One to this testimony.

Q. Does this conclude your supplemental testimony?

A. Yes, it does.

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